



**Draft Funding Contract**  
between the  
**Commonwealth of Australia**  
as represented by the  
**Australian Research Council**  
and  
**{Institution's Name}**

regarding funding for  
**Linkage—Projects**  
to commence in  
**2003**

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## Parties & Recitals

THIS CONTRACT is made on the{\*state day} day of{\*state month} {\*state year} between the

COMMONWEALTH OF AUSTRALIA ('the Commonwealth'), as represented by and acting through the Australian Research Council ('the ARC') [ABN 51 452 193 160]

and

{\*name the Institution fully#} ('the Institution')

### WHEREAS:

A. The Commonwealth through the ARC operates a Programme, being the *Linkage—Projects Programme* ('the Programme').

B. The Commonwealth accepts that the Institution is an eligible body for the purposes of the Programme, and the Commonwealth may provide financial assistance to enable the Institution to conduct the Projects, being those described in Schedule A.

C. The Commonwealth is required by law to ensure the accountability of Funding and, accordingly, the Institution is required to be accountable for all Commonwealth Funding it receives under this Contract.

D. The Commonwealth wishes to provide Funding under the Programme to the Institution for the purposes, and subject to the terms and conditions, set out in this Contract.

### NOW IT IS HEREBY AGREED as follows:

#### 1. Definitions

1.1 In this Contract, unless the contrary intention appears:

'**ABN**' has the meaning as given in Section 41 of the *A New Tax System (Australian Business Number) Act 1999*;

'**Act**' means the *Australian Research Council Act 2001* or subsequent relevant legislation, as amended from time to time;

'**APAI**' or '**Australian Postgraduate Award (Industry)**' means the funding provided by the Commonwealth through the Institution to support a postgraduate research student to complete either a Masters or PhD degree through the Project identified by the application number which appears in Schedule A;

'**APAI Postgraduate Research Student**' means a postgraduate research student who is in receipt of an Australian Postgraduate Award (Industry);

'**APDI**' or '**Australian Postdoctoral Research Fellowship (Industry)**' means an individual Australian Postdoctoral Research Fellowship (Industry) awarded to an eligible researcher named in Schedule A;

'**APDI Fellow**' means a postdoctoral researcher who is in receipt of an APDI;

'**Approved Proposal**' means a proposal for expenditure for purposes that will assist programmes of research undertaken by Institutions under Section 51 of the Act approved by the Minister and, in this Contract, includes all Projects funded at the Institution and set out in Schedule A;

'**ARC**' means the Australian Research Council, as established under the *Australian Research Council Act 2001* or subsequent relevant legislation, as amended from time to time, to make recommendations to the Minister on the allocation of research funds, and includes the members of its Board and Committees;

'**ARC's website** is <http://www.arc.gov.au/>

**‘Asset’** includes personal, real or incorporeal property, but shall not mean intellectual property;

**‘Audited Financial Statement’** means the statement to be submitted by the Institution by 30 June each year in accordance with Subsection 58(b) of the Act;

**‘Chief Executive Officer’** or **‘CEO’** means the occupant of the position from time to time of the Chief Executive Officer of the Australian Research Council;

**‘Chief Investigator’** means the person or persons named in the Project Application as Chief Investigator for a particular Project;

**‘Commonwealth’** means the Commonwealth of Australia;

**‘DEST’** means the Department of Education, Science and Training, or any other Department charged with the administration of the *Higher Education Funding Act 1998*;

**‘End of Year Report’** means the report described in clause 31.3;

**‘Exceptions Report’** means the report described in clause 31.2;

**‘Fellow’** means an individual researcher named in Schedule A who has been awarded a Fellowship;

**‘Fellowship’** means an individual Fellowship which has been awarded to an eligible researcher named in Schedule A.

**‘Final Report’** means the report described in clause 31.5;

**‘Funding’** or **‘Funds’** means the amount or amounts payable under the Contract for each project as specified in Schedule A;

**‘GST’** has the meaning as given in Section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999*;

**‘Guidelines’** means the *Guidelines for Linkage – Projects for funding commencing in 2003* and includes the *Instructions to Applicants* that form part of the Guidelines;

**‘Industry Partner Contribution’** means the financial and in-kind contribution for a Project provided by the Industry Partner to the Institution;

**‘Industry Partner’** means the company, government agency, incorporated body or other industrial collaborator specified in Schedule A as the Industry Partner;

**‘Institution’** means the higher education institution or administering organisation approved by the Minister under Section 51 of the Act as the body responsible for administering the Funding;

**‘Intellectual Property’** includes all copyright and neighbouring rights, all rights in relation to inventions (including patent rights), plant varieties, registered and unregistered trademarks (including service marks), registered designs, confidential information (including trade secrets and know how) and circuit layouts, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields;

**‘Material’** includes documents, equipment, software, goods, information and data stored by any means;

**‘Minister’** means the Minister from time to time responsible for the administration of the Act, or the Minister’s delegate;

**‘Partner Investigator’** for a Project means the person or persons named in the Project Application as a Partner Investigator for a particular Project;

**‘Programme Coordinator’** means the occupant from time to time of the position of Programme Coordinator (Linkage Projects) in the Australian Research Council, or any other person to which the administration of the Linkage-Projects Programme may be allocated;

**‘Progress Report’** means the report described in clause 31.4;

**‘Project Application’** or **‘Project Applications’** means the application or applications for a Project or Projects lodged with the ARC and given the application number or numbers specified in Schedule A;

**‘Project Budget’** means the budget specified in Schedule A;

**‘Project’** or **‘Projects’** means the Project or Projects which form part of the Approved Proposal described in Schedule A;

**‘Research Office’** means that part of the Institution responsible for liaison with the ARC on Funding matters;

**‘Responsible Officer’** of the Institution means the Vice-Chancellor or other corporate head of the Institution or an officer nominated by him/her;

**‘Specified Personnel’** means the Chief Investigator(s), Partner Investigator(s) and APDI Fellows named in Schedule A to perform the Project.

## **2. Interpretation**

2.1 In this Contract, unless the contrary intention appears:

- (a) words in the singular number include the plural and words in the plural number include the singular;
- (b) words importing a gender include any other gender;
- (c) words importing persons include a partnership and a body whether corporate or otherwise;
- (d) clause headings, words capitalised or in bold format and notes in square brackets (“[ ]”) are inserted for convenience only, and have no effect in limiting or extending the language of provisions, except for the purpose of rectifying any erroneous cross-reference;
- (e) all references to clauses are clauses in this Contract;
- (f) all references to dollars are to Australian dollars and this Contract uses Australian currency;
- (g) reference to any statute or other legislation (whether primary or subordinate) is to a statute or other legislation of the Commonwealth and, if it has been or is amended, is a reference to that statute or other legislation as amended;
- (h) where any word or phrase is given a defined meaning, any other part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

2.2 This Contract is subject to the Act. If there is any conflict between this Contract and the Act, then the Act prevails.

### **3. Entire Agreement and Variation**

- 3.1 This Contract, including Schedules, the project Application and the Guidelines constitutes the entire agreement between the parties and supersedes all communications, negotiations, arrangements and agreements, whether oral or written, between the parties with respect to the subject matter of this Contract.
- 3.2 If any part of this Contract conflicts with any other part, that part higher in the following list shall take precedence:
  - (a) the terms and conditions contained in the clauses of the Contract;
  - (b) the Schedules;
  - (c) the Guidelines ; and
  - (d) the Project Application.
- 3.3 The Institution and the Commonwealth may agree to vary this Contract. Any variation to this Contract must be in writing and signed by both parties.

### **4. Funding Period**

- 4.1 Subject to clause 5 of this Contract, the Funding period is for the period(s) set out in Schedule A for each Project, unless the Funding is terminated earlier.

### **5. Payment of Funding**

- 5.1 Subject to parliamentary appropriation, the Commonwealth shall pay the Funds, in accordance with the Act, to the Institution in the manner specified in the Schedule A.
- 5.2 The Commonwealth will pay to the Institution, by way of financial assistance in accordance with the Act, the amount set out in Schedule A, which is exclusive of GST, where 'GST' has the meaning as given in Section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999*. For government-related entities (such as a government funded university or research institute) there will be no GST payable on the funding transaction between the entity and the ARC. Non-government-related entities, which are liable to pay GST on this transaction with the ARC, will receive a base-funding amount and an additional amount to cover the GST.
- 5.3 The duration of the funding for Linkage Projects, including APAIs and Fellowships, is indicative only of the intent of the Minister at the time of making the offer of Funding and is not binding on the Commonwealth. In the event that the Minister subsequently makes a determination under Section 51 of the Act to continue the Funding, this Contract will continue to apply to any Project, including Fellowships, granted financial assistance under such a determination.
- 5.4 The Commonwealth shall have the right to unilaterally vary the amounts for the Approved Proposal set out in Schedule A.
- 5.5 The ARC notional salary and stipend rates as set out in Schedule B are applicable as at 1 January 2002. In the event that the Minister makes a determination under section 51 of the Act, the Commonwealth shall have the right to unilaterally vary

Schedule B of this Contract to reflect annual adjustments in the ARC salary and stipend levels for Fellowships.

- 5.6 Where the Commonwealth exercises its right under clause 5.4, 5.5 or 5.6 above, it shall inform the Institution of the variation within thirty (30) days of that variation.
- 5.7 The Commonwealth will not provide additional funding for any Project set out in Schedule A except where allowed for under clause 5.4, 5.5 or 5.6 above.

## **6. Accuracy of Information/Malpractice**

- 6.1 The Institution warrants that the information contained in all Project Applications is accurate and not misleading. The Commonwealth regards inaccurate and misleading information as including, but not being limited to, claiming fictitious track records, inflating funds obtained from other sources and false claims in the publication record, e.g. describing a paper as being published even if it has only been submitted.

## **7. Use of the Funding: activities and facilities and types of work**

- 7.1 The Institution will ensure that each Project described in Schedule A is carried out in accordance with this Contract, in a diligent and competent manner, subject to the provision of indicative funds. In addition, each Project will be conducted in accordance with the Project Description contained in the Project Application, or any revised budget, aims and research plan, submitted by the Institution and approved by the ARC.
- 7.2 The Institution shall ensure that expenditure on each Project described in Schedule A is in accordance with the Project Description and within the broad structure of the proposed Project Costs contained in the Project Application or any revised budget, aims and research plan approved by the ARC.
- 7.3 The Institution shall not use the Funding:
  - (a) for purposes specifically excluded in the Guidelines for applicants for funding commencing in 2003; or
  - (b) for purposes specifically excluded in this Contract., **for example clause 7.5, clause 8.3 and clause 8.9 of the Contract.**
- 7.4 The Institution must ensure that the researcher has adequate time to do the Project and must provide the basic facilities required for each Project described in Schedule A. Basic facilities include but are not limited to:
  - (a) accommodation (e.g. laboratory and office, suitably equipped and furnished in standard ways)
  - (b) access to workshop services (such as machine tools and qualified technicians available to each member of staff to enable them to carry out their research)
  - (c) access to a basic library collection

- (d) adequate computing time (excluding access to high-performance computers)
  - (e) standard reference materials or funds for abstracting services
  - (f) basic computing, word processing and microfilm-reading facilities
  - (g) use of photocopiers, telephones, mail, fax, email and internet services
- 7.5 As set out in the *Linkage—Projects Guidelines for funding commencing in 2003*, Funds may not be used for:
- (a) Costs of capital works and general infrastructure
  - (b) Salaries of Chief Investigators and Partner Investigators
  - (c) Special Studies Programmes
  - (d) Research support for investigators not resident in Australia
  - (e) International students' fees and HECS liability
  - (f) Computer facilities for molecular analysis
  - (g) Basic facilities
  - (h) Publication Costs

## **8. Use of the Funding: provision of salaries and relief for teaching and for other duties**

- 8.1 The Funding must not be used to provide salary support for Chief or Partner Investigators.
- 8.2 Entitlements for APAI Postgraduate Research Students are detailed in Schedule D. Entitlements for APDI Fellows are detailed in Schedule E. ARC notional salary and stipend rates are detailed in Schedule B.
- 8.3 Funding may not be used for the payment of a Partner Investigator's costs incurred because of their involvement in the Project, except for purposes outlined in the Project Application and not prohibited as a Special Condition as specified in Schedule A.
- 8.4 If expenditure is incurred as allowed for in clause 8.3 above, the Institution shall ensure that expenditure is in accordance with the broad structure of the Project Budget, aims and research plan contained in the Project Application, or any revised Project Budget, aims and research plan approved by the ARC.
- 8.5 Funds may be used by the Institution to employ Personnel other than the Specified Personnel where provision for such was included in the Project Application. They may be employed full-time or part-time, as required.
- 8.6 The Institution must ensure that a person who is studying full-time for a postgraduate degree or other postgraduate qualification shall not be employed on a Project for more than 20 hours per week or such lesser time as the internal policies and procedures of the Institution provide.
- 8.7 In respect of Personnel other than Chief Investigators or Partner Investigators, unless the Minister otherwise determines:

- (a) in recruiting Personnel, the Institution shall follow its normal recruitment procedures;
  - (b) the provision of salaries, recreation leave, sick leave and other conditions of employment for Personnel shall be those of the Institution.
- 8.8 Funding may only be used for relief of Personnel from teaching or other duties for a maximum of six months per annum if it is specified as a special condition for a Project in Schedule A.
- 8.9 Funding specified as a special condition for a Project for the relief of Personnel from teaching or other duties must not be used for any other purpose.
- 8.10 The Institution must ensure that any Personnel who are employed full-time on the Project and whose salary is provided from the Funding shall not, without the prior agreement of the Minister, accept any remuneration whatsoever from any source other than the Institution in respect of work performed on the Project. This does not preclude Industry Partner's cash contribution to the Institution being used to raise the levels of the salaries paid to Personnel (including APDIs but not Chief Investigators).

## **9. Over-expenditure by the Institution**

- 9.1 Any Project expenditure incurred by the Institution for a Project additional to the approved amount for that Project specified in Schedule A in the columns headed 'Indicative Funds', is the responsibility of the Institution. The Commonwealth will not reimburse the Institution for such costs under any circumstances.

## **10. Industry Partner Agreements**

- 10.1 The Institution must not allow a Project to commence, nor Funding to be expended, until the Project's Industry Partner and the Institution have entered into a written agreement that specifies that the Industry Partner agrees to comply with this Contract and which also includes conditions about:
- (a) the role of the Industry Partner in the Project;
  - (b) the provision of the Industry Partner Contribution to the Project; and
  - (c) Intellectual Property arrangements.
- 10.2 If the Institution and the Industry Partner are not able to come to an agreement by the final date for commencement then, as specified in clauses 12 and 13 of this Contract, the Project must be terminated **and any funding provided to the Institution be returned to the ARC.**
- 10.3 The Institution must ensure that each Project's Industry Partner Contributions are adequate, using the criteria set out in Schedule F of this Contract.
- 10.4 The Institution must ensure that the Industry Partner provides contributions as set out in the Project Application. Where the Commonwealth's financial assistance is

less than that requested of the Commonwealth in the Project Application, the Industry Partner Contribution may be reduced by the same proportion. Nevertheless, the Industry Partner Contribution must at least match the total amount provided by the Commonwealth on a dollar-for-dollar basis, except where the Commonwealth has provided a stipend for an APAI Postgraduate Research Student.

- 10.5 Where the Commonwealth has provided a stipend for an APAI Postgraduate Research Student, the Industry Partner must contribute a minimum of \$5000 in cash and \$5000 in cash or in-kind (i.e. \$10000 in total) for each year that each student is to receive a stipend. However, if the Commonwealth provides financial assistance for Project costs over and above the APAI stipend, the Industry Partner Contribution must at least match the amount of those costs provided by the Commonwealth on a dollar-for-dollar basis.
- 10.6 For the purposes of the agreement referred to in clause 10.1 above, the total amount of financial assistance to be provided by the Commonwealth is to be treated as a contribution by the Institution to the Project.
- 10.7 The Institution must ensure that Industry Partners are kept informed of progress on the Project.
- 10.8 Once the written agreement for a Project has been entered into by all participating Industry Partners and the Institution, the Institution must provide to the ARC the report 'Industry Partner Agreed Contribution', in the form available on the ARC's website.
- 10.9 If the written agreement between an Industry Partner and the Institution is revised to change the level of Industry Partner Contribution, the Institution must provide to the ARC a revised report 'Industry Partner Agreed Contribution', in the form available on the ARC's website.

## **11. Default of Industry Partner**

- 11.1 If the Institution becomes aware that an Industry Partner for a Project cannot meet its obligations under this Contract or under the agreement between the Industry Partner and the Institution referred to in clause 10 above, the Institution must either:
  - (a) find a replacement Industry Partner for the Project and conform with the requirements of clause 11.2 below; or
  - (b) terminate the Project.
- 11.2 Should the Institution wish to proceed with a replacement Industry Partner as allowed under clause 11.1 (a) above it must complete the procedure listed below within three months from the date of notification from the Industry Partner or from the date on which the Institution became aware that the Industry Partner is not meeting its obligations, whichever is the earlier. Failure to do so will result in immediate termination of the Project. By the end of the three-month period referred to in this clause:
  - (a) the Institution must request, in writing, the Minister's approval of a replacement Industry Partner;

- (b) the replacement Industry Partner must provide a written undertaking to provide a contribution which will maintain a matching contribution to the financial assistance provided by the Commonwealth in accordance with clause 10 above; and
  - (c) the Institution and the replacement Industry Partner must enter into a written agreement of the type set out in clause 10 above.
- 11.3 The Minister may approve the replacement Industry Partner if the replacement Industry Partner:
- (a) meets the eligibility criteria as specified in the Linkage—Projects Guidelines for funding commencing in 2003; and
  - (b) is recommended by the ARC to the Minister for approval.
- 11.4 If the Minister approves the replacement Industry Partner, the Institution must within three months of the date of approval by the Minister provide to the ARC an 'Industry Partner Agreed Contribution' report. The proforma for this report is available on the ARC's website.

## **12. Commencement of Project: final date for commencement and Industry Partner written agreements**

- 12.1 The Projects and any APDI or APAI element of a Project must commence within three months of the signing by the administering institution of this Funding Contract. Failure to do so will result in termination of funding.

## **13. Deferment of Commencement of Project and/or Fellowship**

- 13.1 If the Institution wishes to defer commencement of a Project or an APDI or APAI element of a Project, a written request justifying the requested deferral in terms of special circumstances, must be made to the Programme Coordinator, through the Institution's Research Office within three months of the signing by the administering institution of this Funding Contract.
- 13.2 The Institution must not defer commencement of the Project or an APDI or APAI element of the Project unless the Institution has received written permission from the ARC, based on a decision made by the Minister or the Ministers delegate.

## **14. Specified Personnel**

- 14.1 The Institution shall ensure that the Specified Personnel will conduct the Project in a diligent and competent manner and will comply with this Contract.
- 14.2 The Institution shall provide each Chief Investigator or Fellow with a copy of this Contract within a reasonable time after the beginning of the Funding.

## **15. Change of Specified Personnel**

- 15.1 If a Chief Investigator or Partner Investigator is at any time during the term of a Project no longer able to continue the Project, the project may be continued under another Chief Investigator or Partner Investigator provided that:

- (a) he/she meets the eligibility criteria, as specified in the Guidelines;
  - (b) approval is sought from the Programme Coordinator for the change in Specified Personnel:
    - i. in writing (including the proposed Personnel's Curriculum Vitae); and
    - ii. within three months of the date that the Specified Personnel cease working on the Project; and
  - (c) the change is approved, in writing, by the Minister.;
- 15.2 Failure to fulfil the requirements set out in clause 15.1 will result in immediate termination of the Project.
- 15.3 If the Fellow is no longer able to continue the Project, the Fellowship component will be terminated as it can not be transferred to another person. If the Fellow is the only specified personnel on a project, the project will be terminated.

## **16. Transfer of Project or Fellowship**

- 16.1 The Institution must notify the ARC of any Specified Personnel on the Project who change Institutions.
- 16.2 If the Specified Personnel involved that change Institutions is the first-named Chief Investigator or Fellow, the Institution must provide for the Minister's approval, a written proposal outlining arrangements for the continuation of the project and the continued administration of the funding.
- 16.3 Where the proposed arrangements include a transfer of the Funding from one institution ('the relinquishing institution') to another institution ('the recipient institution'), the Minister shall have regard to the circumstances surrounding the proposed transfer and may approve the transfer subject to such conditions, as the Minister considers appropriate. The written requests must provide evidence that:
- (a) the following parties agree to the transfer:
    - i. the relinquishing institution;
    - ii. the Industry Partner
    - iii. all Specified Personnel on the Project; and
    - iv. the recipient institution;
  - (b) the recipient institution and the Project's Industry Partner will enter into an agreement of the type set out in clause 10.1 above; and
- 16.4 When the ARC receives a proposal requesting the transfer of Funding it will:
- (a) seek the Minister's approval for the transfer of unspent Funds and indicative Funding for the Project and any identified Assets to the recipient institution; and
  - (b) vary the Funding Contract for the relevant Institutions once Ministerial approval is granted.
- 16.5 Once approval has been granted to transfer the funding
- (a) the relinquishing institution must:

- i. provide to the ARC, in writing, the amount of unspent Funds for the Project and pay the ARC such unspent Funds. The ARC will then provide the unspent Funds to the recipient institution.
    - ii. identify the transfer in its Exceptions Report; and
    - iii. report expenditure of Funding for the Project prior to the transfer in its End of Year Report and identify the transfer in the 'Notes' column;
  - (b) the recipient institution must:
    - i. include the Project in its Exceptions Report; and
    - ii. report expenditure of Funding for the Project subsequent to the transfer in its End of Year Report and identify the transfer in the 'Notes' column.
- 16.7 If a Chief Investigator or Fellow leaves the institution to which Funding is awarded and the Minister's approval is not given for arrangements for the continuation of the project and the continued administration of the Funding, the Project may be terminated.
- 16.8 Relocation expenses will not be paid on the transfer of a Fellow from the relinquishing institution to the recipient Institution.
- 16.9 The Project or any equipment purchased with either the Funding or the Project's Industry Partner Contribution (including any equipment which comprises the Industry Partner Contribution) must not be transferred to the recipient institution until Ministerial approval for the transfer of the Funding is granted.

## **17. Negation of Employment by the Commonwealth**

- 17.1 Specified Personnel and/ or Institutions shall not represent themselves as being employees, partners or agents of the Commonwealth, or as otherwise able to bind or represent the Commonwealth.
- 17.2 Specified Personnel and/or Institutions shall not by virtue of this Contract be or for any purpose be deemed to be employees, partners, or agents of the Commonwealth, or as having any power or authority to bind or represent the Commonwealth.

## **18. Conduct of Research**

- 18.1 Research Projects and/or Fellowships shall be conducted in accordance with any special conditions specified in this Contract.
- 18.2 The Institution shall ensure that a research Project under this Contract will not be permitted to proceed without appropriate ethical clearances having been obtained from the relevant committees and/or authorities referred to in Schedule C or prescribed by the Institution's research rules. Responsibility for ensuring such clearances have been obtained remains with the Institution.

## **19. Conduct of Elements of Projects - identification of APAI and APDI**

- 19.1 If a Project has an APAI element, the number of awards to be made to APAI Postgraduate Research Students as part of the Project appear in Schedule A. The

Institution must conduct these Projects in accordance with the Special Conditions for APAs at Schedule D. The Special Conditions for APAs form part of this Contract .

- 19.2 If a Project has an APDI element, the name(s) of the person(s) awarded the APDI and the salary plus on-costs appears in Schedule A. The Institution must conduct these Projects in accordance with the Special Conditions for APDIs at Schedule E. The Special Conditions for APDIs form part of this Contract.

## **20. Material produced under this Contract**

- 20.1 The Institution shall establish and comply with its own procedures and arrangements for the ownership of all material produced as a result of any research Project under this Contract.
- 20.2 For any Material produced under this Contract and subject to any agreement to the contrary with an Industry Partner which can be justified to the satisfaction of the ARC on the grounds of commercial sensitivity (including Intellectual Property considerations), the Institution shall ensure that Chief Investigators, Partner Investigators and Fellows:
- (a) take reasonable care of, and safely store any data or specimens or samples collected during, or resulting from the conduct of their Project;
  - (b) make arrangements acceptable to the ARC for lodgement with an appropriate museum or archive in Australia of data or specimens or samples collected during, or resulting from their Project; and
  - (c) include details of the lodgement or reasons for non-lodgement in the Final Report for the Project.

## **21. ARC Assessments**

- 21.1 The Institution must ensure that, for the duration of the Funding under *Linkage—Projects*, if requested by the ARC, Chief Investigators and Fellows agree to assess up to twenty new applications for ARC funding.
- 21.2 If the ARC determines that a Chief Investigator and/or Fellow has failed to meet the obligation to assess applications assigned by the ARC for assessment, the ARC will notify the Institution in writing of that failure.
- 21.3 If a Chief Investigator and/or Fellow does not undertake assessment of the assigned applications within seven days, of the notice referred to in clause 21.2 above, the Institution will be considered to be in breach of this Funding Contract and the relevant Linkage—Project Funding, including Fellowships, will be terminated.

## **22. Assets**

- 22.1 The Institution shall establish and comply with its own procedures and arrangements for purchasing, installing, recording, maintaining and insuring all items of equipment purchased with the Funds.

- 22.2 The Institution shall ensure that any Personnel shall have first priority in the use and operation of equipment purchased for the Project and the Institution shall so far as is practicable permit persons authorised by the Minister's delegate to have priority access to that equipment in preference to other persons.
- 22.3 The ownership of any Asset purchased wholly or partly with the Funding shall be vested in the Institution, located on its campus and listed in its assets register unless:
- (a) otherwise specified in the Project Application;
  - (b) the Project is terminated, in which case the Minister may, by notice in writing, require the transfer of any such item of equipment to the Commonwealth; or
  - (c) the Project is transferred to another institution, in which case, subject to the agreement of both the Institutions, the equipment purchased with funds may be transferred in accordance with clause 16.

## 23. Intellectual Property

- 23.1 The Institution must adhere to an Intellectual Property policy, approved by the Institution's governing body, which has as one of its aims the maximisation of benefits arising from research. The Commonwealth makes no claim on the ownership of Intellectual Property brought into being as a result of the projects for which Funding is provided.
- 23.2 The Institution must comply with the *National Principles of Intellectual Property Management for Publicly Funded Research* as amended from time to time and currently located at the following URL:
- [http://www.arc.gov.au/publications/arc\\_pubs/01\\_01.pdf](http://www.arc.gov.au/publications/arc_pubs/01_01.pdf)
- 23.3 The Institution shall at all times indemnify and hold harmless the Commonwealth, its officers, employees and agents (in this clause referred to as 'those indemnified') from and against any loss (including legal costs and expenses on a solicitor/own client basis) or liability incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person in respect of any infringement of Intellectual Property rights by the Institution, its employees, agents or subcontractors in the course of, or incidental to, performing the Project or the use by the Commonwealth of reports provided by the institution.
- 23.4 The indemnity referred to in clause 23.3 shall survive the expiration or termination of this Contract.

## 24. Protection of Personal Information

- 24.1 The Institution agrees with respect to all activities related to or in connection with the performance of the Project or in connection with this Contract:
- (a) to comply with the Information Privacy Principles set out in Section 14 of the *Privacy Act 1988* which concern the collection, security, access, data

quality, relevance, use and disclosure of personal information to the extent that the content of those principles apply to the types of activities the Institution is undertaking under this Contract , as if it were a record-keeper as defined in the *Privacy Act 1988*;

- (b) not to transfer personal information held in connection with this Contract outside Australia, or to allow parties outside Australia to have access to it, without the prior approval of the Commonwealth;
- (c) to co-operate with any reasonable demands or inquiries made by the Federal Privacy Commissioner or the CEO in relation to the management of personal information by the Institution or breaches or alleged breaches of privacy;
- (d) to ensure that any person who has an access level which would enable that person to obtain access to any personal information (as defined in the *Privacy Act 1988*) is made aware of, and undertakes in writing, to observe the Information Privacy Principles referred to in paragraph (a) above;
- (e) to comply with any policy guidelines laid down by the Commonwealth or issued by the Federal Privacy Commissioner from time to time relating to the handling of personal information;
- (f) to comply with any reasonable direction of the CEO to observe any recommendation of the Federal Privacy Commissioner relating to any acts or practices of the Institution that the Federal Privacy Commissioner considers to be a breach of the obligations in paragraph (a) above;
- (g) to comply with any reasonable direction of the CEO to provide the Federal Privacy Commissioner access for the purpose of monitoring the Institution's compliance with this clause;
- (h) to indemnify the Commonwealth in respect of any loss, liability or expense suffered or incurred by the Commonwealth arising out of or in connection with a breach of the obligations of the Institution under this clause or any misuse of personal information by the Institution or any disclosure by the Institution in breach of an obligation of confidence whether arising under the *Privacy Act 1988* or otherwise;
- (i) to ensure that any record (as defined in the *Privacy Act 1988*) containing personal information provided to the Institution by the Commonwealth or any other person pursuant to this Contract is, at the expiration or earlier termination of This Contract , either returned to the ARC or deleted or destroyed in the presence of a person duly authorised by the ARC to oversee such deletion or destruction; and
- (j) to the naming or other identification of the Institution in reports by the Federal Privacy Commissioner.

24.2 The Institution shall immediately notify the ARC if the Institution becomes aware of a breach of its obligations under clause 24.1.

24.3 This clause survives the expiration or earlier termination of this Contract.

## **25. Compliance with Commonwealth Policies**

25.1 The Institution shall, when using the Commonwealth's premises or facilities, comply with all reasonable directions and ARC procedures relating to occupational health (including the Commonwealth's smoke free work place

policy), safety and security in effect at those premises or in regard to those facilities, as notified by the Commonwealth or as might reasonably be inferred from the use to which the premises or facilities are being put.

- 25.2 The Institution shall comply with its obligations, if any, under the *Equal Opportunity for Women in the Workplace Act 1999* and shall not enter into a subcontract with a subcontractor named by the Equal Opportunity for Women in the Workplace Agency as an employer currently not complying with the *Equal Opportunity for Women in the Workplace Act 1999*.
- 25.3 The Institution shall, in its dealings with its employees, have due regard to Commonwealth policies on employment, including the *Workplace Relations Act 1996*, and obligations under relevant occupational health and safety laws.

## **26. Acknowledgments, Publications and Publicity**

- 26.1 Subject to commercial sensitivities or Intellectual Property considerations, the outcomes of Linkage Projects are expected to be communicated to the research community and, where appropriate and possible, to the community at large.
- 26.2 When, at any time during or after completion of a Linkage Project, the Institution publishes promotional material, books, articles, television or radio programmes, newsletters or other literary or artistic works which relate to the Project, the Institution shall acknowledge, at a prominent place in the publication, the support of the ARC in a form acceptable to the ARC.

## **27. Administration of the Funding**

- 27.1 The Institution must maintain reasonable records relating to the Funding in general and the Project(s) conducted with the Funding, in particular to ensure its compliance with this Contract.

## **28. Audit and Monitoring**

- 28.1 The Institution is responsible for monitoring the expenditure of the funding and certifying to the ARC that the Funding has been expended and the progress of the Project is satisfactory in the End of Year Report. If at any time, in the opinion of the Responsible Officer, the Funding is not being expended in accordance with this Contract, the Institution shall take all action necessary to minimise further expenditure in relation to the Funding and inform the Commonwealth immediately.
- 28.2 The ARC may conduct ad hoc on-site reviews in relation to financial and other reports to ensure that the terms of this Contract are being, or were met and that reports submitted to the ARC are an accurate statement of compliance by the Institution. Persons nominated by the ARC to conduct these reviews are to be given full access by the Institution, if required, to all accounts, records, documents and premises in relation to the Funding and the administration of the Funds in general.

## **29. Access to Premises & Records**

29.1 The Institution shall, at all reasonable times, give to the CEO or any person authorised in writing by the CEO:

- (a) unhindered access to:
  - i. the Institution's employees;
  - ii. premises occupied by the Institution; and
  - iii. Material;
- (b) reasonable assistance to:
  - i. inspect the performance of the Project;
  - ii. to locate and inspect Material; and
  - iii. make copies of Material remove those copies, relevant to the Project.

29.2 The access rights in clause 29.1 are subject to:

- (a) any agreement to the contrary with an Industry Partner which can be justified to the satisfaction of the ARC on the grounds of commercial sensitivity (including Intellectual Property considerations)
- (b) the provision of reasonable prior notice by the ARC; and
- (c) the Institution's reasonable security procedures.

29.3 If a matter is being investigated which, in the opinion of the CEO of the ARC, or any person authorised in writing by the CEO, may involve an actual or apprehended breach of the law, clause 29.2(b) will not apply.

29.4 Upon receipt of reasonable written notice from the CEO of the ARC, the Institution shall provide any information required by the Commonwealth for monitoring and evaluation purposes.:

29.5 Nothing in clause 29.1 to 29.4 inclusive affects the obligation of each party to continue to perform its obligations under this Contract unless otherwise agreed between them.

29.6 The Auditor-General, or a delegate of the Auditor-General for the purpose of performing the Auditor-General's statutory functions, at reasonable times and on giving reasonable notice to the Institution, may:

- (a) require the Institution to provide records and information which are directly related to this Contract;
- (b) have access to the premises of the Institution for the purposes of inspecting and copying documentation and records, however stored, in the custody or under the control of the Institution which are directly related to this Contract; and
- (c) where relevant, inspect any Commonwealth assets and Commonwealth Material held on the premises of the Institution.

29.7 This clause shall survive the expiration or earlier termination of this Contract.

### 30. Reporting Requirements

30.1 The Institution must submit the following reports and statement, in accordance with this Contract and the Act, in the format required by the ARC, if specified.

#### 30.2 Exceptions Report

- (a) The Institution must submit an Exceptions Report for each Project by 1 October in each year of the Funding period. The ARC will provide the Institution with a proforma for this report.
- (b) All financial data in the Exceptions Report is to cover the period from the payment to the Institution of the Funds until 30 September in each year of the Funding period.

#### 30.3 End of Year Report

- (a) The Institution shall submit an End of Year Report by 31 March in the year following each calendar year for which the Funding was awarded. The ARC will provide the Institution with a proforma for this report.
- (b) As part of the End of Year Report, the Responsible Officer must certify for each Project what the Industry Partner contribution has been in relation to that Project and that it has been provided in accordance with the agreement in clause 10, and that, to the best of his/her knowledge, the Industry Partner does not intend to withdraw or reduce its contribution to the Project.
- (c) The End of Year Report will contain information on all expenditure under the Approved Proposal, on a Project by Project basis, including:
  - i. any unspent funds to be recovered by the Commonwealth;
  - ii. any unspent funds that the Institution is seeking to have carried over into the next year; and
  - iii. the reasons why the unspent funds are required to be carried over.
- (d) Under subSection 58(e) of the Act, Funds provided by the Commonwealth to the Institution which are not spent during the year of the Funding period to which those funds were allocated may be carried over where approved by the Minister. The Institution must request this approval in the End of Year Report.
- (e) Where the carry over of 75% or more of the Funds is requested, separate written justification must be provided.
- (f) Funds will be carried over more than twelve months only in exceptional circumstances. Separate written justification must be provided in this instance

#### 30.4 Progress Report

- (a) The Institution shall ensure that all Chief Investigators and Fellows provide Progress Reports in respect of each ongoing Project every twelve months, with the first report due twelve months after the commencement of funding, on a proforma which will be made available on the ARC's website. If Progress Reports are not provided further payment of funds will not be made until Progress Reports are submitted.
- (b) The ARC will review the outcomes reported against the objectives of the Project as stated in the Project Application, or any approved revised

budget, aims and research plan. Any Chief Investigator or Fellow whose Progress Report is deemed inadequate or unsatisfactory will be contacted for further information.

- (c) If the ARC is not satisfied with the progress of the Project, further payment of funds will not be made until satisfactory progress has been made on the Project. If satisfactory progress is still not achieved, the Funding will be terminated and all outstanding monies will be recovered by the ARC.
- (d) Unsatisfactory progress on the Project will be noted against any further Applications under any ARC scheme submitted by, or on behalf of the Chief Investigator(s) or Fellow(s) and will be taken into account in the assessment of those applications.

### 30.5 Final Report

- (a) The Institution shall ensure that Final Reports are provided for each Project within six months of the final payment of the Project (including any approved carry forward). The proforma for this report will be made available on the ARC's website. The ARC will review the outcomes against the objective(s) of the Project as stated in the Project Application or any approved revised budget, aims and research plan.
- (b) If a Final Report is deemed inadequate, the Chief Investigator or Fellow will be contacted for further information. If the ARC is not satisfied with the outcomes of the Project, this will be noted against any further Project Applications under any ARC scheme submitted by, or on behalf of, the Chief Investigator or Fellow and may be taken into account in the assessment of those applications.
- (c) If the Final Report is not submitted on time this will be noted against any further Project Applications under any ARC programme submitted by, or on behalf of the Chief Investigator or Fellow and may be taken into account in the assessment of those applications.
- (d) Applications under any ARC programme submitted by, or on behalf of the Chief Investigator or Fellow on a Project for which the Final Report is outstanding will be deemed ineligible.

### 30.6 Audited Financial Statement

- (a) In accordance with Section 58 of the Act, the Institution shall submit an Audited Financial Statement by 29 June of the year following the calendar year for which the Funding was awarded. *DEST Guidelines for the preparation of annual financial reports for the 2003 reporting period by Australian higher education institutions* contains detailed information on the preparation of the Statement.
- (b) In completing the Audited Financial Statement, the Institution must ensure that the amount shown in that statement as 'approved carry forward funds' is the same as the amount (if any) that the Institution sought and approval was given to carry over in the End of Year Report.

### **31. Copyright in Reports**

- 31.1 Copyright in all reports required by this Contract will vest in the Institution at the time of creation but the Institution grants to the Commonwealth a permanent, irrevocable, royalty-free, non-exclusive licence to use and reproduce these reports and publish them on a non-profit basis. The Commonwealth's licence is subject to the requirements of clause 31.2 below.
- 31.2 The Commonwealth warrants that, for a period of three years from the date of submission of the Final Report for the Project, it will seek the agreement of the Institution before any information which is contained in any reports related to the Project, and which the Institution has indicated is confidential and should not be disclosed, is disclosed to any person other than an officer or a member of the ARC or the Minister.

### **32. Recovery of Unspent Funds or Overpayments of Funds**

- 32.1 Any unspent Funds may be recovered by the Commonwealth under Subsection 58(1)(c) of the Act. Any overpayment of Funds made to an Institution may be recovered under Subsection 58(1)(d) of the Act.
- 32.2 The Commonwealth may offset the unspent or overpaid Funds against the total of any further Funds payable to the Institution.

### **33. Indemnity**

- 33.1 Subject to this Contract, the Institution shall at all times indemnify and hold harmless the Commonwealth, its officers, employees and agents (in this clause referred to as 'those indemnified') from and against any loss (including legal costs and expenses on a solicitor/own client basis) or liability, reasonably incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such loss or liability was caused by a wilful, unlawful or negligent act or omission of the Institution, its employees, agents or subcontractors in connection with this Contract.
- 33.2 The Institution's liability to indemnify the Commonwealth under clause 33.1 shall be reduced proportionally to the extent that any act or omission of the Commonwealth or its employees or agents contributed to the loss or liability
- 33.3 The indemnity referred to above shall survive the expiration or termination of this Contract.

### **34. Insurance**

- 34.1 The Institution shall effect and maintain adequate insurance or similar coverage to cover any liability arising as a result of its participation in *Linkage—Projects* and, if requested, provide the Commonwealth with a copy of the relevant policies or when appropriate Certificate of Currency. The Institution shall be responsible for

effecting all insurances required under Worker's Compensation legislation and for taking all other action required as an employer.

### 35. Termination

35.1 If the Institution fails to comply with any obligations contained in this Contract then the Commonwealth may, in accordance with Section 58 of the Act, terminate any or all of the Projects and require the Institution to return all or some of the Funds to the ARC.

35.2 The Institution must terminate a Project:

- (a) where progress is not, in the opinion of the Responsible Officer, satisfactory; or
- (b) on the death, incapacity, resignation or withdrawal of any Specified Personnel unless suitable alternative arrangements, satisfactory to the participating researchers and the Minister, can be made by the Institution for the continuance of the Funding; or
- (c) subject to clause 11, where the Industry Partner fails to meet its obligations, or
- (d) where the parties have agreed to the termination of the Funding.

35.3 Upon termination of the Funding under clause 35.2 above:

- (a) the Institution shall take all action necessary to minimise further expenditure under the Funding; and
- (b) the Minister will, under Section 58 of the Act, recover monies that have not been expended under the Funding.

### 36. Compliance with Law

36.1 The Institution shall in carrying out this Contract comply with the provisions of any relevant statutes, regulations, by-laws, and requirements of any Commonwealth, State, Territory or local authority.

36.2 The Institution acknowledges that:

- (a) Chapter 7 of the *Criminal Code* provides for offences which attract substantial penalties, including theft of Commonwealth property and other property offences, obtaining property or financial advantage by deception, offences involving fraudulent conduct, bribery, forgery and falsification of documents;
- (b) it is aware that giving false or misleading information is a serious offence under the *Criminal Code*;
- (c) the publication or communication of any fact or document by a person which has come to their knowledge or into their possession or custody by virtue of the performance of this Contract (other than a person to whom the Institution is authorised to publish or disclose that fact or document) may be an offence under section 70 of the *Crimes Act 1914*, punishment for which may be a maximum of two years imprisonment;

- (d) in respect of data, including personal information, held in connection with this Contract, any unauthorised and intentional access, destruction, alteration, addition or impediment to access or usefulness of the data stored in any computer in the course of performing this Contract is an offence under Part VIA of the *Crimes Act 1914* which may attract a substantial penalty, including imprisonment;
- (e) it is aware of the provisions of section 79 of the *Crimes Act 1914* relating to official secrets.

36.3 The Institution undertakes with respect to any officer, employee, agent or subcontractor who will have access to documents, materials or information within the meaning of section 79 of the *Crimes Act 1914* that prior to having access the officer, employee, agent and subcontractor will first be required by the Institution to provide the Institution with an acknowledgment that the officer, employee, agent or subcontractor is aware of the provisions of the section.

*Note: Institutions should note also that they may be subject to the provisions and applications of the Trade Practices Act 1974 and the Archives Act 1983.*

## 37. Liaison

37.1 All communications from the Institution to the ARC, or the Minister, relating to the Funding shall be made through the Responsible Officer of the Institution and shall be directed to the Programme Coordinator at the following address:

Programme Coordinator (Linkage Projects)  
Australian Research Council

*Postal address*  
PO Box 2702  
CANBERRA ACT 2601

*Courier address*  
cnr Jerrabomberra Avenue and Hindmarsh Drive  
SYMONSTON ACT 2609

Phone: 02 6284 6600  
Fax: 02 6284 6601  
Email: [ncgp@arc.gov.au](mailto:ncgp@arc.gov.au)

## 38. Applicable Law

38.1 This Contract shall be governed by and construed in accordance with the laws of the Australian Capital Territory and the parties agree, subject to the Contract that the Courts of the Australian Capital Territory shall have jurisdiction to entertain any action in respect of, or arising out of this Contract.

**SCHEDULE A**

**Details of Projects to receive funding by the Commonwealth**

## SCHEDULE B

### ARC notional APDI salary and APAI stipend, and other allowances

#### 1 ARC notional fellowship salaries

	Salary	26% oncosts	Total
Australian Postdoctoral Fellowship (APD) and Australian Postdoctoral Fellowship Industry (APDI)	\$49,621	\$12,901	\$62,522

#### 2 Fellowships: maximum relocation allowances

USA	\$15,000
UK, Europe, Asia (Northern Hemisphere)	\$12,000
Asia (Southern Hemisphere/New Zealand)	\$ 9,000
Australia	\$ 6,000

#### 3 APAI Stipend and allowance rates

##### 3.1 Amount paid to Institutions

Full Year	\$22,771
Half Year	\$11,386

##### 3.2 Annual stipend rate for students

Full-time	\$22,771 (tax free)
Part-time	\$12,366 (part-time stipends are taxable)

#### 4 Relocation and thesis allowance rates

##### 4.1 Relocation

Removal expenses	\$480 per adult
	\$240 per child
	\$1,385 maximum
Travel expenses	\$equivalent of economy or student concession airfares

##### 4.2 Thesis allowance

	\$420 for a Masters thesis
	\$840 for a PhD thesis

## SCHEDULE C

### Research special conditions

- C1. *Importation of Experimental Organisms:* The Institution must ensure that, before experimental organisms are imported into Australia for the purposes of a Project, they or the Chief Investigator of the Project must obtain agreement in principle for the importation from the appropriate Commonwealth and State authorities.
- C2. *Research Involving Humans or Animals:* If any Project conducted by the Institution involves research on or involving humans or animals, the Institution shall ensure that the codes adopted for these purposes by the National Health and Medical Research Council are complied with and that the Project may not commence without clearance from the Institution's Ethics or Biosafety Committee (or equivalent) and from any other relevant authority outside of the Institution.
- C3. *Deposition of Biological Materials:* Any biological material accumulated during the course of a Project shall be transferred to an Australian body with statutory responsibility for control of such material. If no such body is available to take control of the biological material then the Institution shall dispose of the material in accordance with the Institution's established safeguards.
- C4. *Genetic Manipulation:* If a Project involves the preparation and/or use of recombinant nucleic acids constructed *in vitro* from sources that do not ordinarily recombine genetic information, approval in writing by the Institution's Biosafety Committee (or equivalent) or the Genetic Manipulation Advisory Committee (GMAC) must be obtained.
- C5. If a Project involves, or is concerned with the use of, recombinant DNA techniques, the Institution shall ensure that the principles and guidelines established and approved from time to time by the Australian Government's Recombinant DNA Monitoring Committee are observed.
- C6. If a Project involves or concerns the use of recombinant DNA techniques on animals or humans then, before the proposed research commences, the Institution shall ensure that the research has been approved by the relevant Ethics or Biosafety Committee (or equivalent) of the Institution. The Institution shall retain all Certificates relating to the above and will provide such evidence to the Programme Coordinator if required to do so.
- C7. *Ionising Radiation:* If a Project involves the use of ionising radiation, the Institution shall ensure that any personnel performing procedures involving ionising radiation are appropriately trained and hold a relevant current licence from the appropriate State authority. The Institution shall retain all such licences and shall provide them to the Programme Coordinator if required to do so.
- C8. *Social Science Data Sets:* Any machine-readable data arising from a Project involving research relating to the social sciences should be lodged with the Australian Consortium for Social and Political Research Inc. (ACSPRI) or any other appropriate archive for secondary use by other investigators. This should normally be done within two years of the conclusion of any fieldwork relating to the Project research. If a Chief Investigator

is not intending to do so within the two-year period, s/he should include the reasons in the Project's Final Report.

## **SCHEDULE D**

### **Special conditions applicable for projects with an Australian Postgraduate Award Industry (APAI) element**

#### **D1. Selection of APAI Postgraduate Research Students**

- D1.1 The Institution must appoint an APAI Postgraduate Research Student for the Project who:
- (a) is an Australian citizen;
  - (b) is enrolled in a full-time postgraduate research degree at the Institution or, with the prior written agreement of the Industry Partner and the Minister, is enrolled in a part-time postgraduate research degree at the Institution;
  - (c) has an appropriate Honours 1 or high 2A (or equivalent) undergraduate degree; and
  - (d) has not previously held an Australian Postgraduate Award or APAI unless it was terminated within the first three months of the earlier award.
- D1.2 Where a Project Application nominated a particular student, the Institution may appoint the student provided the student satisfies the selection criteria in D1.1 above.
- D1.3 The Institution may relax D1.1(c) above where a candidate has developed considerable research expertise in industry, eg. graduates with some years of relevant work experience such as research personnel from industry who wish to upgrade their research skills.
- D1.4 The Institution shall select an APAI Postgraduate Research Student applicant for the Project based on merit, unaffected by the applicant's personal financial circumstances or care responsibilities and in accordance with the rules of the Institution and clauses D1.1 to D1.3 inclusive.
- D1.5 If the Institution has followed clauses D1.1 to D1.4 without being able to identify a suitable Postgraduate Research Student for the Project who is an Australian citizen, the Institution may appoint an Australian permanent resident. The Institution must not appoint an Australian permanent resident who has lived in Australia for less than twelve months without the prior written approval of the Minister.
- D1.6 The Institution may approve a reduction in the period of the postgraduate course to take account of study previously undertaken towards the APAI Postgraduate Research Student's degree.

#### **D2. Commencement of APAI Postgraduate Research Students**

- D2.1 All students who are commencing a Higher Degree by Research (HDR) course and have been awarded an APAI must be given priority when institutions allocate places under the Research Training Scheme (RTS). This ensures that, where possible, APAI holders will be granted a HECS exemption for the tenure of their award.

- D2.2 Where an institution is unable to support a 2003 APAI, due to insufficient places being available or where the institution does not participate in the RTS, the APAI holder may be enrolled in a fee-paying course for which it would be expected that the tuition fees would be waived by the institution.
- D2.3 An APAI Postgraduate Research Student must commence work on the Project in accordance with clauses 13 and 14 of the Funding Contract.
- D3. Industry Partner Contribution
- D3.1 In addition to the requirements of clause 11, the Institution must specifically ensure that the Industry Partner contributes at least \$5,000 cash per annum (or such larger amount as set out in the Project Application) and a further \$5,000 cash or in-kind contribution (or such larger amount as set out in the Project Application) to each APAI element of the Project. However, the Institution need not require the Industry Partner to provide an additional cash or in-kind contribution to an APAI element involving PhD research if that element is extended beyond the normal three years.
- D4. Use of the Funding -Provision of Stipend for APAI Postgraduate Research Students
- D4.1 The Institution shall pay to each APAI Postgraduate Research Student the stipend set out in Schedule B.
- D4.2 The stipend for an APAI Postgraduate Research Student may be payable for a maximum period of three years (unless otherwise listed as a 'Special Condition' in Schedule A) from the date of award for full-time studies subject to clause D4.4 below.
- D4.3 The Institution must provide each full-time APAI Postgraduate Research Student with at least the annual indexed stipend from Funding monies which is exclusive of any supplement to the stipend provided by the Industry Partner.
- D4.4 The Institution may approve an extension of up to six months for a three-year PhD degree APAI Postgraduate Research Student, where that student has formally applied for an extension and the Institution is satisfied that the grounds for the extension are beyond the student's control. The funding available is a proportion of the annual stipend based on the length of the extension and must be sought by the Institution in the Exceptions Report. Extensions are not available for Masters students and they are not available for Projects of less than three years.
- D4.5 The amount of Funding available for the APAI element of a Project includes the amount specified in D4.1 above, together with the amounts payable under D5 below.

D5. Use of the Funding - Relocation and Thesis Allowances

- D5.1 Reimbursement of relocation costs (travel expenses (see clause D5.4 and removal of household items only) and thesis allowances will be provided to the Institution by the Commonwealth on the basis of a claim as part of the Exceptions Report, provided that the APAI Postgraduate Research Student's claim was processed by the Institution within the year the claim was made and that the subsequent claim on the Commonwealth is within the amounts specified in Schedule B for relocation costs and thesis allowance.
- D5.2 The Institution will make payments to APAI students relocating residence in order to take up their position provided that the student provides evidence of expenditure to the Institution within six months of the expenditure being incurred.
- D5.3 The Institution must ensure that travel expenses, where payable, do not exceed the cost of the cheapest direct airfare (or concession rate if applicable) for the Postgraduate Research Student and their dependants. Where a Postgraduate Research Student elects to travel by car, the Commonwealth will provide a mileage allowance up to the maximum equivalent of the cheapest direct airfare.
- D5.4 The Institution will make reimbursement payments to APAI Postgraduate Research Students for relocation costs (travel and removal expenses) on provision by an APAI Postgraduate Research Student of full particulars of mode and time of travel and the receipts for all other payments, eg. removal expenses.
- D5.5 For the purposes of relocation entitlements, a dependant is defined as a person who moves residence with the APAI Postgraduate Research Student. A spouse who transfers employment to the city of the Institution may be regarded as a dependant; a child continuing to study at the former city and not intending to live with the Postgraduate Research Student or Fellow, may not be regarded as a dependant.

D6. Employment, Leave and Other Conditions relating to APAI Postgraduate Research Students

- D6.1 The Institution must ensure that APAI Postgraduate Research Students do not engage in any paid employment which contravenes the rules of the Institution and the wishes of the Industry Partner. Neither the Institution nor the Industry Partner will require an APAI Postgraduate Research Student to undertake paid employment.
- D6.2 The Institution may provide an APAI Postgraduate Research Student sick, recreation and maternity leave in accordance with the usual practice of the Institution for students on similar awards. The Commonwealth will not provide additional funds to cover accrued leave proposed to be taken after the APAI period has expired. APAI Postgraduate Research Students should therefore take recreation leave or other leave during the period of the APAI tenure.
- D6.3 The Institution may allow an APAI Postgraduate Research Student to undertake research in the Industry Partner's facilities as part of research work on the Project. During such periods, the Institution shall continue to be responsible for payment of the APAI Postgraduate Research Student's stipend, approval of the APAI Postgraduate Research Student's leave (if any) and supervision of the progress of research, although supervision by the Industry Partner is also expected.
- D6.4 Provided the Industry Partner is in agreement, the Institution may approve a part-time award where the APAI Postgraduate Research Student is able to demonstrate

heavy care commitments or a medical condition precluding full-time study, including:

- (a) care responsibilities for a pre-school child; or
- (b) care responsibilities for school-aged children as a sole parent with limited access to outside support; or
- (c) care responsibilities for an invalid or disabled spouse, child or parent; or
- (d) a medical condition which limits the capacity to undertake full-time study.

- D6.5 However, part-time awards are not available to applicants seeking to undertake paid employment on a full-time or on a substantial part-time basis. Substantial part-time work is regarded as being more than the Institution would permit its full-time award holders to undertake without interfering with their study programmes.
- D6.6 The Institution will subject part-time APAI Postgraduate Research Students to the same restrictions on employment as full-time APAI Postgraduate Research Students.
- D6.7 The Institution shall inform the ARC in the End of Year Report of any approvals of part-time APAI Postgraduate Research Students.
- D6.8 APAI Postgraduate Research Students approved to study part-time may revert to full-time study at any time.
- D6.9 A part-time APAI Postgraduate Research Student is expected to progress at half the rate of a full-time award holder and the Institution must pay them one half the normal full-time stipend.
- D6.10 Subject to clauses D6.1 and D6.2 the Institution may approve, in consultation with the Industry Partner, an application by an APAI Postgraduate Research Student for overseas research for up to twelve (12) months, and in special circumstances, up to eighteen (18) months. The prior approval of the Minister is required where the overseas research is to commence within six (6) months of the starting date of the Project. The Institution may approve only overseas research which may be credited to the relevant Postgraduate Research Student's course of study.
- D6.11 The Institution may allow an APAI Postgraduate Research Student to take up to three (3) months' paid maternity leave for a childbirth occurring within the tenure of the APAI. Paid maternity leave may not be taken within the first twelve (12) months of an award; however, unpaid maternity leave may be accessed through the suspension provisions. Periods of paid maternity leave are in addition to the normal duration of the award. The Commonwealth will provide additional funding to the Institution to cover the three (3) months' paid maternity leave period.
- D7. Suspension of an APAI
- D7.1 An APAI Postgraduate Research Student may apply to the Institution, with the consent of the Industry Partner, for a suspension of the APAI to gain work experience in industry. In exceptional circumstances the Institution may allow suspension on compassionate grounds, with the consent of the Industry Partner and the ARC.
- D7.2 If the proposed suspension is to commence after the first six (6) months of the Project and is not proposed to be longer than twelve (12) months, the Institution may, at its discretion, approve the suspension.

- D7.3 If the proposed suspension is to commence within the first six (6) months of the Project or is to be of more than twelve (12) months' duration, the Responsible Officer must apply to the Programme Coordinator to seek the Minister's approval of the suspension.
- D7.4 A suspension of over twelve (12) months' duration or one that commences within the first six (6) months of the Project without the written permission of the Minister will be a breach of this Contract and will result in the immediate termination of the particular APAI.
- D8. Change of APAI Postgraduate Research Student
- D8.1 If an APAI Postgraduate Research Student is no longer able to continue their Project within the first two years of the Projects commencement date, a new Postgraduate Research Student may be selected by the Institution and the Industry Partner provided that the student meets the eligibility criteria as specified in this Contract and that the overall expenditure for the particular APAI so affected does not exceed the amount of monies provided by the Commonwealth for the approved duration of the APAI. The Institution will be responsible for any shortfall between the amount of monies provided by the Commonwealth and the amount required for the new Postgraduate Research Student to complete their degree.
- D9. Reporting of Relinquished APAIs
- D9.1 If an APAI Postgraduate Research Student relinquishes their award, that fact must be reported in the End of Year Report.
- D10. Additional Requirements for Exceptions Report
- D10.1 The Institution must include in the Exceptions Report any changes to the type or duration of degree being undertaken by an APAI Postgraduate Research Student which will affect the amount or duration of Commonwealth funding.
- D11. Annual Progress Report
- D11.1 The Institution must ensure that each APAI Postgraduate Research Student provides an Annual Progress Report on a proforma available from the ARC's website to the Institution's Research Office.
- D11.2 The Institution must ensure that the Chief Investigator supervising the APAI Postgraduate Research Student and the appropriate Head of Department endorse the Annual Progress Report, if satisfactory, or provide further comment, if requested by the ARC.
- D11.3 Annual Progress Reports are to be retained by the Research Office and submitted to the ARC on request.
- D12. Default of Industry Partner - additional APAI requirements
- D12.1 If, as a result of an Industry Partner failing to meet its obligations under this Contract and the Institution being unable to find a replacement Industry Partner as specified in clause 12 of this Contract, the Project is terminated, the Institution may fund an

affected APAI Postgraduate Research Student as an Australian Postgraduate Award (APA) student from the Institution's APA Scheme funds.

## SCHEDULE E

### Special conditions applicable for projects with an Australian Postdoctoral Fellowship (Industry) (APDI) element

#### E1. Commencement of APDI

- E1.1 The Institution must ensure that APDI Fellows commence their APDI in accordance with clauses 13 and 14 of the Funding Contract.
- E1.2 The Institution must ensure that an APDI fellow does not commence the APDI until after he/she has been awarded their PhD.
- E1.3 Where the APDI Fellow is one of several Chief Investigators on a project and it is proposed to begin the project before the APDI Fellow can commence on the Project, approval will need to be obtained from the ARC for the Project to commence. The ARC will ascertain whether the Project is viable without the APDI Fellow's participation.
- E1.4 If the ARC does not consider the Project viable without the APDI Fellow's contribution to the Project and the APDI fellow cannot commence on the Project in accordance with clauses 13 and 14 of the Funding Contract, the Project as a whole will be terminated.

#### E2. Use of the Funding - APDI Fellow's Salary

- E2.1 ARC notional salaries are set out in Schedule B.
- E2.2 The Institution shall make up any shortfall between the ARC notional APDI salary and on-costs, and the prevailing salary levels for other academic staff at a similar level, from sources other than these Funds, so that the Fellows are no worse off financially than their peers.
- E2.3 The tenure of an APDI Fellow is up to three years, subject to the receipt of satisfactory Annual Progress Reports as required by clause E8 below. Subject to clauses E4.5 and E4.6 and E5 below, APDIs will not be extended.

#### E3. Use of the Funding - Relocation Allowance

- E3.1 The Institution must make reimbursement payments from the Funding to APDIs for relocation costs (travel expenses (see clause E3.2 below) and removal of household items only) on provision of full particulars of mode and time of travel and the receipts for all other payments *e.g.* removal expenses of household items. The Institution should make such claims to the ARC within 12 months.
- E3.2 The Institution shall ensure that travel expenses claimed do not exceed the cost of the cheapest direct airfare for the Fellow and their dependants. Where a Fellow elects to travel by car, the Commonwealth will provide a mileage allowance up to the maximum equivalent of the cheapest direct airfare. On completion of the APDI Fellowship, the APDI Fellow will be entitled to the same return travel provisions

provided that the APDI Fellow has not obtained subsequent employment in Australia for a period exceeding twelve months.

- E3.3 Reimbursement of relocation costs will be provided to the Institution by the Commonwealth on the basis of a claim submitted as part of the Exceptions Report or the End of Year Report, as described in clause 31, providing the claim is processed within the year the claim is made. All claims are to be made in Australian dollars.
- E3.4 The Institution may reimburse Fellows and claim from the Commonwealth up to the following amounts for travel and removal of household items expenses to be paid from these Funds:
- (a) a maximum of \$15,000 for a Fellow who relocates from the USA;
  - (b) a maximum of \$12,000 for a Fellow who relocates from UK / Europe / Asia (Northern Hemisphere);
  - (c) a maximum of \$9,000 for a Fellow who relocates from NZ / Asia (Southern Hemisphere); and
  - (d) a maximum of \$6,000 for a Fellow who relocates within Australia.
- E3.5 For the purposes of relocation entitlements, a dependant is defined as a person who moves residence with the Fellow. A spouse who transfers employment to the city of the Institution can be regarded as a dependant. A child continuing to study at the former city and not intending to live with the Fellow cannot be regarded as a dependant.

#### **E4. Conditions of Employment of APDI Fellows**

- E4.1 APDI Fellows cannot hold another position either at the Institution or at another Institution. The Institution shall confirm that successful applicants have formally resigned from their positions before taking up APDI Fellowships at the Institution.
- E4.2 The Institution shall recognise research APDI Fellows as academic staff and incorporate them fully into the activities and academic life of the Institution, but should note that limits do apply (see following clause). Unless the Minister otherwise determines, the provision of salaries, recreation leave, sick leave and other conditions of employment for APDI Fellows shall be those of the Institution.
- E4.3 Additional teaching, research supervision or academic duties are not discouraged but should enhance, rather than detract from, the APDI Fellows' research. APDI Fellows may not accept additional appointment or remuneration without the prior agreement of the Institution and the Minister.
- E4.4 The Institution shall ensure that, during the tenure of the APDI Fellowship, a APDI Fellow shall be entitled to leave of absence for recreation at the rate of four weeks per annum, to be taken at any time by arrangement between the APDI Fellow and the Institution. However, the Commonwealth will not provide additional funds to cover accrued leave proposed to be taken after the APDI Fellowship period has expired. APDI Fellows should therefore take their recreation leave during the period of APDI Fellowship tenure.
- E4.5 The Institution shall ensure that eligible APDI Fellows are entitled to up to twelve weeks' paid maternity leave, in addition to the duration of their APDI Fellowship. The Commonwealth will provide up to twelve weeks' additional funding, where

necessary, for this purpose. The normal mechanism for claiming the additional Funding monies for this purpose will be through the End of Year Report.

E4.6 The APDI Fellow may take a total of twelve months' leave through the duration of the APDI Fellowship where it is in accordance with the Institution's practice, using accrued leave or leave without pay.

## **E5. Suspension of an APDI**

E5.1 An APDI Fellow may apply to the Institution, with the consent of the Industry Partner, for a suspension of their APDI to gain work experience in industry.

E5.2 If the proposed suspension is to commence after the first six (6) months of the Project and is not proposed to be longer than twelve (12) months, the Institution may, at its discretion and with the consent of the Industry Partner, approve the suspension.

E5.3 If the proposed suspension is to commence within the first six (6) months of the Project or is to be more than twelve (12) months' duration, the Responsible Officer must seek written approval from the Minister.

E5.4 A suspension of over twelve (12) months' duration or one that commences within the first six (6) months of the Project without the written permission of the Minister will be a breach of this Contract and will result in the immediate termination of the particular APDI.

## **E6. Change of APDI Fellow**

E6.1 If an APDI Fellow is not able to continue the Project, the APDI element of the Project is terminated.

E6.2 If the ARC does not consider the Project viable without the APDI Fellow's contribution to the Project and the APDI fellow is not able to continue the Project, the Project as a whole will be terminated.

## **E7. Relinquishment of APDIs**

E7.1 If an APDI Fellow relinquishes the award, that fact must be reported in the End of Year Report.

E7.2 If the ARC does not consider the Project viable without the APDI Fellow's contribution to the Project and the APDI fellow relinquishes the Fellowship, the Project as a whole will be terminated.

E7.3 If the ARC does consider the project to be viable without the APDI Fellow's contribution and the APDI's Fellow relinquishes the Fellowship, the APDI component of the Project is terminated.

## **SCHEDULE F**

### **Guidelines for the evaluation of the adequacy of industry partner in-kind contributions for the Linkage-Projects programme**

These guidelines are to be used in determining the value of in-kind Industry Partner Contributions that are required to be provided by Industry Partners to the Institution to at least match the financial assistance to be provided by the Commonwealth for Projects within the Linkage-Projects Programme

#### **F1. Underlying principles and practical considerations**

F1.1 The primary objectives in examining the Industry Partner Contribution are to ensure that:

- (a) the available support is adequate for the successful completion of the Project;
- (b) the cost of the Industry Partner Contribution matches at least dollar-for-dollar the financial assistance provided by the Commonwealth over the life of the Project (except for APAIs);
- (c) the Industry Partner Contribution is in accordance with the budget, aims and research plan contained in the Project Application submitted by the Institution or an approved revised budget, aims and research plan; and
- (d) that APAI students are supported by a \$5,000 cash and a \$5,000 cash or in-kind contribution by the Industry Partner for each year they are to receive a stipend.

F1.2. Unless otherwise specified in the Project Application, a minimum cash contribution by the Industry Partner of 20% of the Commonwealth's financial assistance is required.

F1.3. In-kind contributions that are shown to be essential and central to the conduct of the Project are given full recognition in evaluating the dollar-for-dollar contribution; however, claims of contributions that are not fully documented in the End of Year Report will be closely examined by the ARC. The onus is on the Institution to establish the merit of the case for recognition of the level and extent of the in-kind contribution.

F1.4. For each APAI stipend awarded, Industry Partners must provide the Institution with a minimum annual cash contribution of \$5,000 or the amount specified in the Project Application, whichever is the larger, for each year the student is to receive a stipend on the basis that the Project has been approved by the Minister at the level of Industry Partner Contribution specified in the Project Application. Industry Partners must also provide a further minimum annual cash or in-kind contribution of \$5,000 or more in line with the amount specified in the Project Application. Where an APAI is extended by up to six (6) months for a PhD student, the Industry Partner is not required to provide further cash or in-kind contributions.

F1.5 With the exception of the above APAI-related Industry Partner Contribution, if the amount of Commonwealth funding approved for a Linkage-Project varies from the amount applied for, the Chief Investigator must discuss the matter with the Industry Partner. Where the Industry Partner agrees the research Project is viable within the parameters of the varied amount of Commonwealth funding pro-rata, adjustments may

be made to the Project Application budget in accordance with clause 11. The Chief Investigator is responsible for providing the Research Office of the Institution with evidence of any such Industry Partner agreement for Funding acquittal and reporting purposes.

F1.6 In-kind contributions to a Project may include, but are not restricted to, scientific liaison and management, direct technical support, or unique access to reagents or equipment.

F1.7. Corporate membership or subscription fees in industrial consortia do not qualify as Industry Partner Contributions but the allocation of designated research funds, together with the identification of the linkages between the member and the Project, do qualify.

## F2. Guidelines for recognising in-kind budget items in Industry Partner Contributions

F2.1 This list is not all-inclusive. If in doubt as to the acceptability of a particular item, consult the Programme Coordinator, Australian Research Council.

<b>CATEGORY</b>	<b>ACCEPTED</b>	<b>NOT ACCEPTED</b>
<b>Access to unique databases</b>	Incremental costs of access	Cost of collecting the database
<b>Analytical and other services</b>	Internal rates	Commercial rates
	Incremental cost of providing service	
<b>Equipment</b>	<b>Contributed - Used</b> - fair market value - company book value - price for internal transfers	List price or discounted list price  Rental equivalents exceeding accepted values had the equipment been donated or sold
	<b>Contributed - New</b> - selling price to most favoured customer (if stock item) - cost of manufacture (if one of a kind) - cost of purchase	Development costs
	<b>Loaned</b> - rental equivalent based on depreciation - rental rate equivalent to highest-volume user	
	<b>Sold</b> - difference between discounted price and selling price to most favoured customer	

<b>Materials</b>	<p>Unit cost of production for commercial products</p> <p>Selling price to most favoured customer</p> <p>Price for internal transfers</p> <p>Cost of production of prototype and samples</p>	<p>Development costs (unless it is an integral part of the Project proposal)</p>
<b>Patents and licences</b>	<p>Licences acquired from third parties for use by the university</p>	<p>Patents</p> <p>Licensing fees paid to the university</p>
<b>Payments concerning the Chief Investigator</b>	<p>Payment to the university for release time from teaching duties</p>	<p>Payment to the Chief Investigator as consulting fees or honoraria (additional to normal salary)</p>
<b>Salaries</b>	<p>Typical salary cost (including overheads) at internal rates</p>	<p>External charge-out or consultant rates</p> <p>Costs relating to administrative support where overhead has been included in salary costs</p>
<b>Contributed software</b> (need to distinguish between existing software used as a tool for analytical purposes and the collaborating Industry Partner's contribution to developing new software tools where this is one of the main objectives of the proposal)	<p>Copying costs</p> <p>Licensing cost</p> <p>Documentation cost</p> <p>Cost of training and support of software</p> <p>Cost of equivalent commercial product (where donated software is not commercially available)</p>	<p>Development costs</p>
<b>Travel</b>	<p>Travel costs associated with field work</p> <p>Travel costs to meet with university personnel and Industry Partner staff</p> <p>Conference travel for university staff</p>	
<b>Use of facilities</b>	<p>Internal rates for logistical support and travel allowance for university personnel working on collaborating Industry Partner premises or on field work</p> <p>Internal rates for use of specialised equipment by university personnel or use of process or production lines</p> <p>Internal rates for value of lost production resulting from down time</p>	<p>Use of equipment by collaborating Industry Partner personnel.</p> <p>Space for collaborating Industry Partner activities outside the scope of the specific proposal</p> <p>Equivalent commercial rates</p>

**IN WITNESS WHEREOF** the parties have agreed to this Contract on the date first above written.

**SIGNED** for and on behalf of )  
THE COMMONWEALTH OF AUSTRALIA )  
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 )  
by ..... ) .....  
insert name of signatory above ) signatory to sign above  
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the ..... )  
insert signatory's title above )  
of the Australian Research Council )  
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In the Presence of: )  
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..... ) .....  
insert name of witness above ) witness to sign above

**SIGNED** for and on behalf of )  
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«Institution» ..... )  
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by ..... ) .....  
insert name of signatory above ) signatory to sign above  
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the ..... )  
insert signatory's title above )  
of the said Institution who, by signing, )  
certifies that they have the authority so to sign) )  
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In the Presence of: )  
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insert name of witness above ) witness to sign above